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9 **UNITED STATES DISTRICT COURT**
10 **SOUTHERN DISTRICT OF CALIFORNIA**

11 SECURITIES AND EXCHANGE
12 COMMISSION,

13 Plaintiff,

14 v.

15 MICHAEL SZTROM, DAVID SZTROM,
16 AND SZTROM WEALTH
MANAGEMENT, INC.,

17 Defendants.

Case No. 3:21-cv-00086-H-RBB

**FINAL JUDGMENT AS TO
DEFENDANT DAVID SZTROM**

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1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant David Sztrom (“Defendant”) having entered a general appearance;
3 consented to the Court’s jurisdiction over Defendant and the subject matter of this
4 action; consented to entry of this Final Judgment without admitting or denying the
5 allegations of the Complaint (except as to jurisdiction and except as otherwise
6 provided herein in paragraph IV); waived findings of fact and conclusions of law; and
7 waived any right to appeal from this Final Judgment:

8 I.

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating, directly or indirectly, Section
11 206 of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. § 80b-6] by
12 use of the mails or means and instrumentalities of interstate commerce:

- 13 (a) to employ devices, schemes or artifices to defraud clients or prospective
14 clients; or
15 (b) engage in transactions, practices, or courses of business which operate
16 as a fraud or deceit upon clients or prospective clients.

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
18 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
19 binds the following who receive actual notice of this Final Judgment by personal
20 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
21 attorneys; and (b) other persons in active concert or participation with Defendant or
22 with anyone described in (a).

23 II.

24 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
25 Defendant is permanently restrained and enjoined from aiding and abetting any
26 violation of Section 204 of the Advisers Act, 15 U.S.C. § 80b-4, and Rule 204-2(a)
27 thereunder, 17 C.F.R. § 275.204-2(a) by failing to make and keep required books and
28 records related to an investment advisory business.

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
2 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
3 binds the following who receive actual notice of this Final Judgment by personal
4 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
5 attorneys; and (b) other persons in active concert or participation with Defendant or
6 with anyone described in (a).

7 III.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
9 shall pay a civil penalty in the amount of \$25,000 to the Securities and Exchange
10 Commission pursuant to Section 209(e)(1) of the Advisers Act, 15 U.S.C. § 80b-
11 9(e)(1). Defendant shall make this payment within 30 days after entry of this Final
12 Judgment.

13 Defendant may transmit payment electronically to the Commission, which will
14 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also
15 be made directly from a bank account via Pay.gov through the SEC website at
16 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified
17 check, bank cashier’s check, or United States postal money order payable to the
18 Securities and Exchange Commission, which shall be delivered or mailed to

19 Enterprise Services Center
20 Accounts Receivable Branch
21 6500 South MacArthur Boulevard
22 Oklahoma City, OK 73169

23 and shall be accompanied by a letter identifying the case title, civil action number,
24 and name of this Court; [Defendant’s name] as a defendant in this action; and
25 specifying that payment is made pursuant to this Final Judgment.

26 Defendant shall simultaneously transmit photocopies of evidence of payment
27 and case identifying information to the Commission’s counsel in this action. By
28 making this payment, Defendant relinquishes all legal and equitable right, title, and
interest in such funds and no part of the funds shall be returned to Defendant. The

1 Commission shall send the funds paid pursuant to this Final Judgment to the United
2 States Treasury.

3 The Commission may enforce the Court's judgment for penalties by the use of
4 all collection procedures authorized by law, including the Federal Debt Collection
5 Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the
6 violation of any Court orders issued in this action. Defendant shall pay post-
7 judgment interest on any amounts due after 30 days of the entry of this Final
8 Judgment pursuant to 28 USC § 1961.

9 IV.

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
11 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
12 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
13 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
14 amounts due by Defendant under this Final Judgment or any other judgment, order,
15 consent order, decree or settlement agreement entered in connection with this
16 proceeding, is a debt for the violation by Defendant of the federal securities laws or
17 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of
18 the Bankruptcy Code, 11 U.S.C. §523(a)(19).

19 V.

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
21 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
22 Final Judgment.

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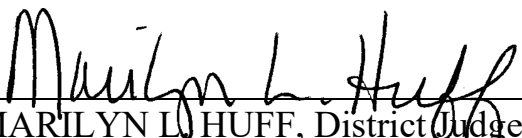
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VI.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

IT IS SO ORDERED.

DATED: October 5, 2022



MARILYN L. HUFF, District Judge
UNITED STATES DISTRICT COURT

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